



City of Sydney

Review of YMCA - Working with Children Check (“WWCC”)

May 2014 19/05/2014 12:10 PM

Distribution

Party	Title
Garry Harding	Director City Operations
Ann Hoban	Director City Life
Marcia Doheny	Director Legal and Governance
Susan Pettifer	Director Workforce and Information Services
Joel Johnson	Manager City Greening and Leisure
Collette Holland	Aquatic and Leisure Services Manager
Matthew McDonald	Contract Manager Aquatic and Leisure Services
Andrew Methven	Manager Risk and Assurance
Petra Koziollek	Internal Audit Manager
Sean Pascoe	BDO, Partner Risk Advisory
Steve Kent	BDO, Principal Risk Advisory
Bronwynn Nosworthy	BDO, Senior Internal Auditor Risk Advisory



Table of Contents

1	Executive summary	1
2	Agreed upon procedures	6
3	Detailed factual findings	7
Appendix A	YMCA and City of Sydney staff interviewed	15
Appendix B	Cook + Phillip Park Aquatic and Fitness Centre - Summary of Factual Findings	16
Appendix C	Ian Thorpe Aquatic Centre - Summary of Factual Findings	18
Appendix D	Risks identified in the Terms of Reference	20

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Executive summary

1 Executive summary

Internal Audit, at the request of City Operations has undertaken a special review of the processes and controls in place at Young Men's Christian Association (NSW) [herein referred to as 'YMCA'] as they apply to child protection procedures including the legislated 'Working with Children Check' (WWCC). Internal Audit performed this review in accordance with the Australian Standard on Related Services ASRS 4400 *Agreed-Upon Procedures Engagements to Report Factual Findings*. The review was undertaken by BDO, one of the service providers on the City's internal audit panel. As a factual findings report, findings have been made, however there are no recommendations.

The City has outsourced the management of aquatic and leisure facilities to various service providers. The model used is a Management Agreement whereby Council appoints an agent to manage these facilities on its behalf. The YMCA has managed the City's two largest facilities, the Ian Thorpe Aquatic Centre and the Cook + Phillip Park Aquatic and Fitness Centre, under various contracts over the last seven (7) years. Collectively these two facilities have over 1.2 million visits annually and run numerous children's programs including large swim schools.

In addition to the 100 full time equivalent (FTE) operational staff on site, the YMCA draws significant support from the YMCA NSW head office based in Parramatta. The support cost expensed to the contract is \$3.9 million over the four year term which includes a management fee of \$2.4 million. An additional \$450,000 is allocated to staff training and recruitment costs.

This review is one of a number of responses the City has undertaken in light of the recent New South Wales Royal Commission Report Enquiry into Institutional Responses to Child Sexual Abuse in Sydney, particularly the Public Inquiry into the Response of the YMCA NSW to the conduct of Jonathan Lord [herein referred to as the "Royal Commission"]. This enquiry was held in October and November 2013.

The Royal Commission report raised a number of issues that are relevant to this review. These are:

- There was a lack of acquired knowledge of YMCA policy dealt with through induction training;
- No contact was made with referees provided by new employees;
- No records were maintained where referees were contacted;
- There is a lack of transparency in employees files on recruitment and screening procedures used;
- Some employees commenced employment prior to the receipt of clearance of a Working With Children Check;
- The YMCA's formal induction of employees does not include coverage of a child protection policy or legislation;
- Induction of new employees does not appear to follow best practice;
- There is no regular training conducted on child protection;
- There is a lack of effective training in both induction and regular training systems to ensure that all employees are aware of and understand child protection policies;
- Failure or inability to demonstrate in evidence that staff are aware and understand policies associated with working with children; and
- Lack of an effective confidential reporting system that employees were aware of and could use.

The current contract between the YMCA and the City commenced on 1 February 2012. It is a financial guarantee model with a value of \$8.5 million paid by the YMCA to the City over the initial four year term. There are two

Executive summary

There are number of clauses that relate to child protection in the contract between the City and the YMCA. Clause 4.2.6 (a) and clause 4.2.6 (c) are clauses of the Specification, whilst clause 7 (c)(iii) is a clause of the Management Agreement. Provisions of the Specifications take priority over the provisions of the Management Agreement. Three key clauses are:

- Clause 4.2.6 (a) of the Specification requires *“All staff are required to have a satisfactory police check and a Working with Children check prior to employment”*;
- Clause 4.2.6 (c) of the Specification outlines the qualification aspects for staff along with the minimal essential criteria at Appendix XIX of the contract. This Appendix lists staffing qualifications by position and includes for ‘All staff’ the need to have a ‘Working with Children Check’ (as defined in section 9 of the *Working with Children Act 2005*); and
- In Clause 7 (c) (iii) of the Management Agreement states *‘the service provider (YMCA (NSW)) must comply with all relevant Laws’*.

This document is a report of factual findings of the YMCA’s compliance to its contractual obligations to the City, as they relate to the requirements of working with children.

An overview of all the findings from this review can be found at 1.4, Section 2, which provides details of the agreed upon procedures which form the scope of the review and Section 3 covers the findings from the review in detail.

The review included examining YMCA’s policies and procedures, undertaking detailed testing on a sample of 50 employee files and holding discussions with YMCA employees at the centres. Testing of employee files was conducted at each centre. The audit team also attended YMCA’s head office in Parramatta to examine other documents and obtain an overview of the recently implemented HR system, known as MACY. Discussions were held with senior human resource staff to identify any changes that may have arisen at the YMCA following the recent Royal Commission and the legislative changes in respect to the protection of children. Appendix A lists personnel interviewed.

In particular the review found that:

- There was little or no evidence that induction training on child protection policies occurred or that there was ongoing child protection training provided for those staff whose files were examined. Nor was there any evidence of the delivery, recording and monitoring processes for such training in regard to child protection obligations;
- Record keeping in respect of key areas for employees is not complete, particularly prior to the introduction of the MACY system. This covers recruitment, screening, resumes, application forms, referee checks, and other relevant records. We note the introduction of the MACY HR system in February 2014 has the functionality to provide a centralised basis for managing employee record keeping requirements;
- YMCA’s draft set of relevant policies and procedures reflect the current requirements of the WWCC legislation. YMCA’s current policies and procedures dated 2009 refer to WWCC in the ‘Definitions’ section of the policies, but no further reference to the WWCC legislation is made throughout these documents; and
- Tabled below is a snapshot of findings from the review of employee files. Appendix B and C provide further details of these findings.

Executive summary

Table - Snapshot of factual findings from employee file review

TESTING SAMPLE COMPOSITION			Employee File Review Findings								
			Staff who started work without a WWCC	Evidence of Police check done before February 2014	Resume on file	Signed Code of Conduct on file	Induction checklist dated and signed by employee	Induction Checklist on file	Evidence that child protection policies were covered in induction	Evidence that employee had child protection policy training	Evidence of referee checks on file
Staff appointed since 1/2/12	21	42%	6	0	5	30	5	39	0	0	2
Staff appointed prior to 1/2/12	29	58%	19								
	n/a	n/a	25								
Population	50	n/a	50	50	50	50	50	50	50	50	50
% of sample population	100%	100%	50%	0%	10%	60%	10%	78%	0%	0%	4%

1.1 Objective and scope

The purpose of this agreed upon procedures review was to identify and document those processes and procedures the YMCA has in place which relate to child protection and the WWCC for the two aquatic facilities that the YMCA manages on behalf of the City.

Section 2 lists the agreed upon procedures that formed this review. The scope of the review was limited to the business processes and risks relating to child protection and the WWCC that are outlined in Appendix D.

Audit testing was limited to the examination of documentation relating to the duration of the current contract with the YMCA; being from 1 February 2012 to the time of undertaking this review.

The procedures performed were to assist the City in their evaluation of the extent of the YMCA's compliance regarding the protection of children. The Clauses 4.2.6 (a) and (c) set out these requirements and are reconfirmed through Clause 7 (c) (iii).

In accordance with the Australian Standard on Related Services ASRS 4400 *Agreed-Upon Procedures Engagements to Report Factual Findings*, reviews performed under this standard do not provide an assessment of the control environment.

Executive summary

1.2 Background

There are a number of instruments of legislation that are required to be complied with by both employers and employees when working with children. These are listed below:

1. *Child Protection (Working with Children) Act 2012*
2. *Child Protection (Working with Children) Regulation 2013*
3. *The Children and Young Persons (Care and Protection) Act 1998*
4. *The Commission for Children and Young Persons Act 1998*
5. *The Child Protection (Prohibited Employment) Act 1998*
6. *The Ombudsman Amendment (Child Protection and Community Services) Act 1998*

The NSW Office of the Children's Guardian (OCG) is an independent government statutory authority that advocates for children and young people of NSW. The NSW Office of the Children's Guardian is guided by the *Child Protection (Working with Children) Act 2012* to initiate and influence broad, positive change for children and young people.

The Working with Children legislation requires mutual co-operation between the NSW Office of the Children's Guardian, government and non-government agencies on laws, policies, practices and services that affect children and young people.

The Child Protection Legislation Amendment Bill 2013 was introduced into NSW Parliament to amend the *Children's and Young Persons (Care and Protection) Act 1998* (the Principal Act), the *Adoption Act 2000*, the *Child Protection (Working with Children) Act 2012* and other legislation to implement miscellaneous reforms relating to the protection of children and young persons.

The impact of this 2013 amendment was that the existing responsibilities of the NSW Office of the Children's Guardian were expanded to include:

- the new WWCC;
- the online registration and verification of the employer and all new WWCCs; and

- WWCCs are now required to be conducted every five (5) years for all employees in child-related employment.

The current contract with the YMCA commenced on 1 February 2012. Between 1 February 2012 and 14 June 2013, the legislative requirement to undertake working with children checks was contained in the *Commission for Young People and Children Act 1998 (NSW)*. Under this Act, employers were required to carry out a background check on an applicant who was to be engaged in child-related employment.

On 15 June 2013, the new *Child Protection (Working with Children) Act 2012 (NSW)* came into effect in NSW. Under this new legislation, a worker may not engage in child-related work unless the worker holds a working with children clearance of a class applicable to the work, or there is a current application for such a clearance. Further, an employer is not to commence employing or continue to employ a worker in child-related work if the employer has reasonable cause to believe that the worker is not holding a working with children check clearance that authorises the work and there is no application by the worker in order to obtain that clearance. Each clearance, now obtained by the employee, is valid for a five year period.

For the purposes of this agreed upon procedures review, the *Children and Young Persons Act (Care and Protection) Act 1998* and the *Working with Children Act 2012* were the key pieces of legislation used in determining the agreed upon procedures required.

Executive summary

1.3 Key factual findings

A summary of the key factual findings are set out below:

- As at the 1 February 2012, the YMCA was not compliant with the conditions¹ of the contract or the legislation. Not all YMCA staff or staff in high risk roles, under either the old WWCC or new WWCC legislation, had WWCC clearance prior to commencement of employment. However, at the time this review was conducted, March 2014, all new YMCA staff had a WWCC. For those staff employed under the old regime, the YMCA had commenced processes to ensure a WWCC clearance is obtained, as required by the new legislation, by 31 December 2014. On this basis, the YMCA would be deemed compliant to the legislation as at March 2014.
- The YMCA has policies and procedures in place that reflect the WWCC legislation, but the latest version and related documents are still in draft form.
- Of the 50 files audited, 25 employees were found to have commenced employment prior to the receipt of a WWCC clearance and there were considerable periods of time between the employee's commencement date and the WWCC clearance being obtained. Nineteen of those staff without a WWCC were employed prior to the new contract and six staff post the new contract.
- There were incomplete records on employee files regarding the recruitment and screening processes undertaken. This included the absence of resumes, application forms, interview notes, referee checks, contracts of employment, completed induction checklists and the screening of candidates.
- There was a lack of evidence on induction checklists used by the YMCA that the Child Protection Policy or Code of Conduct were covered during induction training. For 28 employees, the induction training was not linked to commencement dates and for 11 staff there was no induction checklist on file. Further, we noted inconsistencies in document control dates and signed induction records.
- The HR Manager advised us that the YMCA has a 'tiered training approach', where senior staff receive specialist training from external providers on key areas of operations. This information is then meant to be

disseminated down from the Centre Managers to Operations Co-ordinators who deliver the training to all front line staff. In our review of the two locations, it was found that this was not the case. We found that there was a lack of complete dissemination of training issues and information from management down to front line staff.

- We noted limited training was delivered to employees on an individual basis at Cook + Phillip Park Aquatic and Fitness Centre.
- Prior to the introduction of the Australian Childhood Foundation (ACF) on-line training module in April 2013, there is no evidence on employee files of any regular staff training related to child protection obligations, WWCC or the related YMCA policy.
- The recording, monitoring and reporting of incidents is formalised and operating.
- The YMCA implemented the MACY HR system in February 2014, which has the functionality for monitoring/tracking of recruitment, screening and training activities, as well as the completion of WWCCs for all employees. MACY provides training for HR staff.
- The YMCA has recently recruited a new NSW Manager of Child Protection.

These factual findings are described further in Section 3, "Detailed factual findings" with specific procedures performed and factual findings and exceptions identified at both locations presented in Appendices B and C.

1.4 Acknowledgment

We wish to place on record our appreciation of the assistance and co-operation received from the management and staff of the City of Sydney and YMCA staff during the course of this engagement. In particular the City's Matt McDonald, Contract Manager Aquatic and Leisure Services, whose support and assistance was very much appreciated.

¹ As related to working with children and as set out in this report at 1.1.
City of Sydney – May 2014 19/05/2014 12:10 PM

Executive summary

1.5 Report clearance

The contents of this report have been discussed and cleared with the Director City Operations, Manager City Greening and Leisure and the Aquatic and Leisure Services Manager.

1.6. Overall engagement rating

As this is an agreed upon procedures review, no rating scale has been used.

<Insert signature>
Sean Pascoe
Partner
BDO, Risk Advisory Services
May 2014

Executive summary

2 Agreed upon procedures

The agreed upon procedures for this review were set out in a detailed Terms of Reference (TOR) document dated March 2014 and included:

1. Identifying and documenting the processes and controls followed by the YMCA which ensure that all current employees have a valid WWCC;
2. Identifying and documenting the processes and controls in place that prevent a person from commencing employment where the person has not been fully vetted for the required professional qualifications and the WWCC. This includes reference checking and screening processes;
3. Identifying and documenting the processes that the service provider has in place to report findings of sexual misconduct and serious assault involving children that may have occurred since commencement of employment to the Ombudsman;
4. Identifying and documenting the processes and procedures that would be implemented in the case where the Office of the Children's Guardian notifies the YMCA that a current employee has been barred;
5. Developing a detailed test program for a sample of current YMCA staff in respect to requirements of the WWCC;
6. Undertaking and documenting results from the detailed test program;
7. Reviewing and documenting the records management processes and procedures associated with the WWCC, staff qualifications and training undertaken;
8. Reviewing the YMCA's staff register and examining a sample of current employees to check whether the register is up-to-date for those employee's qualifications and any training attendance. Documenting how this register is continually monitored and updated;
9. Identifying and documenting the way in which YMCA raises awareness with staff relating to the requirements of WWCC are recorded; and
10. Identifying and documenting the processes relating to the use of an Incident Register at the YMCA locations.

Detailed factual findings

3 Detailed factual findings

3.1 YMCA Policies and procedures

Procedures Performed (Refer to Agreed Upon Procedures Nos 1 and 2)

- A review of the YMCA’s existing policies and procedures that directly relate to child protection legislative requirements, recruitment, training and induction, and records management was conducted.
- YMCA’s policies and procedures were reviewed to ensure that these are periodically reviewed and updated reflecting the relevant legislative and other requirements.

Factual Findings/ Exceptions Identified	
<p>1. Copies of relevant current policies and procedures were supplied by YMCA staff on location at the Cook + Phillip Park Aquatic and Fitness Centre for examination. These current policies and procedures are noted as Draft and are dated February / March 2014. It was found that the policies and procedures have not been signed and endorsed by the YMCA Board. A request was then made to be supplied with the previous policies and procedures. These were examined and it was found that these policies and procedures were dated 2008 and 2009. The following policies and procedures were reviewed:</p> <ul style="list-style-type: none"> • YMCA Working with Children Check Procedure March 2014 (Draft) • YMCA Recruitment and Selection Policy March 2014 (Draft) • YMCA Child Protection Policy- Safeguarding Children and Young People (undated and not endorsed) (Draft) • YMCA Child Protection Procedures February 2014 (Draft) • Screening of New Employees May 2009 	<ul style="list-style-type: none"> • Working with Children Checks June 2009 • Expiry of Minimum Qualifications February 2011 • Preparing to Recruit February 2011 • Staff Selection February 2011 • Appointment February 2011 • Induction Process February 2011 • Working with Children Checks June 2009 • Recruitment Policy September 2008 <p>2. It was found that the YMCA’s draft set of relevant policies and procedures dated February 2014, reflect the current requirements of the WWCC legislation. YMCA’s current policies and procedures dated May 2009 refer to WWCC in the ‘Definitions’ section of the policies but no further reference to the requirements of the WWCC legislation is made throughout this set of documents.</p>

Detailed factual findings

3.2 Processes in place for conducting and monitoring WWCC

Procedures Performed (Refer to Agreed Upon Procedures Nos 1 and 2)

- A review of the YMCA processes and controls was conducted to ensure that all current YMCA employees have a valid WWCC. The YMCA's WWCC processes and tracking procedures and WWCC Mandatory Operating Procedures were examined.
- A review of the existing YMCA processes and controls that are in place to prevent the commencement of employment prior to receiving WWCC clearance was conducted. YMCA's new MACY Application Process, Recruitment and Selection Policy, WWCC Mandatory Operating Procedures, and a supporting Reference Check Template were examined.
- A sample of 50 employees files were examined to determine if the YMCA procedures and policies associated with WWCC had been followed at the two YMCA locations. Based on the examination of the contents of these files, our findings are outlined below. Further details of our testing/findings are presented in **Appendices B and C** of this Report.

Factual Findings/ Exceptions Identified

1. YMCA is registered on-line with the new WWCC system. Previous submissions for the WWCC were conducted through the Department of Sports and Recreation. As required under the new WWCC system, YMCA registers all new WWCCs with the Office of Children's Guardian (OCG) and verifies the status of new employee applications and clearances. Since 15 June 2013, all but one new employee has had their WWCCs completed as per the WWCC Legislative requirements.

Detailed factual findings

Factual Findings/ Exceptions Identified	
2.	We discussed the processes relating to <u>existing staff with old WWCCs</u> and were informed by the YMCA that all employees must have a new WWCC on file by 31 December 2014. We were also informed that candidates who are waiting for WWCC clearance are unable to commence work until the WWCC clearance is received. The YMCA advised that this was the policy from the start of the contract with the City, as it applied to areas in direct contact with children. However, since the new WWCC legislation has been implemented, this policy now applies to all YMCA staff.
3.	Evidence was found on employee's files that 25 employees had commenced employment prior to the receipt of a WWCC. It was noted that there were considerable periods of time between the employment commencement date and clearance being obtained. This ranged from two (2) months to 78 months. There were three (3) employee files where there was no evidence retained on the employee's file that a WWCC clearance had been obtained. We were informed that under the old WWCC, not all WWCC applications and consent forms were submitted on the starting date of employment. YMCA submitted the consent forms in batches at later dates. As a result, there were delays found in the processing and obtaining of WWCC clearances and this practice provides some explanation as to why it was found that some employees did not receive WWCC for some time after the commencement of employment. Also, under the old WWCC system, WWCCs could take up to three months to be processed by the Commission for Children and Young People (CCYP) and the Department of Sport and Recreation (DSR), now the Office of Children's Guardian (OCG).
4.	We identified another factor in the conduct of WWCCs for all employees that was discussed with the YMCA HR Manager. A requirement of the contract(s) between the City and the YMCA is that all employees must have a WWCC. However, the WWCC legislation states that WWCC should only be conducted for positions that are defined in the Act as being 'directly child related'. It was found that not all YMCA positions are classified and defined under the Act as being 'child related'. As a result, under the old WWCC system, the YMCA experienced some difficulty in obtaining WWCCs at times for all employees and this in turn impacted on the YMCA being able to fully meet its contractual obligations with the City. Under the new WWCC system, this matter is now overcome as the onus is on the potential employee to apply for the WWCC prior to employment at the YMCA.

Detailed factual findings

3.3 Recruitment and training

Procedures Performed (Refer to Agreed Upon Procedures Nos 1, 2, 7, 8 and 9)

- A review of the YMCA's processes and controls was conducted to ensure that all current YMCA employees have a valid WWCC. Specifically, the YMCA's WWCC processes and tracking procedures and WWCC Mandatory Operating Procedures were examined.
- A review of the existing YMCA processes and controls that are in place to prevent the commencement of employment prior to receiving WWCC clearance was conducted. YMCA's Recruitment and Selection Policy, Reference Check Template, MACY Application Process, Vetrak Workflow, Training Attendance Database, Attendance Register Template and Site Qualification Tracking Tool were examined as part of this process.
- A review of the processes, procedures and records maintained that are associated with recruitment of new staff, staff qualifications and training undertaken was conducted.
- YMCA's Staff Register was examined to ensure that all current employees are listed, and that records are maintained of staff qualifications and training.
- A review of the processes and documentation maintained that provide evidence as to how the YMCA raises and maintains staff awareness of child protection issues was conducted.
- A sample of 50 employee files from all staff at Cook + Phillip Park Aquatic and Fitness Centre and Ian Thorpe Aquatic Centre was reviewed as part of the above procedures. Based on the examination of the contents of these files, our findings are outlined below. Further details of our testing/findings are presented in **Appendices B and C** of this report.

Factual Findings/Exceptions Identified	
1.	The MACY (World Manager) system was launched across the YMCA NSW on 10 February 2014. MACY is a system that incorporates the HR functions of recruitment, employment screening, staff qualifications and staff training and ensures that all HR functions are centralised. It was found that prior to 10 February 2014 requests for employment were completed on manual forms.
2.	We reviewed 25 employee files at each location and found that there was minimal evidence of interview notes or the screening of candidates present on these files. It was also noted that the majority of files did not contain any copies of resumes/CVs documenting previous work experience or referees.
3.	There was minimal or no evidence of reference checks being completed for candidates prior to commencing employment.
4.	It was found that for 28 employees that Induction Training was not linked to the employee's commencement dates. These employees had commenced employment prior to receiving any Induction Training. It was also found that there were 11 employee files where there were no Induction Checklists retained on file. The YMCA uses an Induction Checklist which records policy review, security aspects, and other operational information. There was no evidence on these checklists that the Child Protection Policy or the Code of Conduct was covered during employee induction. It was also found that one case had an unexplained inconsistency between the document control date on the Induction form (2012) and the date the Induction form was signed by the employee (2008). We found

Detailed factual findings

Factual Findings/Exceptions Identified

one Induction Pack on one employee's file and that the Induction P

Detailed factual findings

3.4 Records management

Procedures Performed (Refer to Agreed Upon Procedures Nos 2, 7 and 8)

Audit reviewed:

- The YMCA's records management processes and procedures to determine if appropriate documentation was retained on employees files that related to WWCC clearance, recruitment, screening and reference checking, evidence of staff qualifications and training.
- The YMCA's processes and procedures relating to the recording and maintenance of the listings of staff qualifications, namely Storage and Tracking Workflow system, and the Expiry of Minimum Qualifications.
- From a sample of 50 employee files from Cook + Phillip Park Aquatic and Fitness Centre and Ian Thorpe Aquatic Centre, Internal Audit sought to trace (for each employee file) documentation from the recruitment processes through to employee induction and onsite training. The employee files were supplied by staff at the aquatic centres and were generated from documentation retained online by the HR system. The hard copy employee files which are retained at YMCA Head Office at Parramatta were also reviewed. The files held at Parramatta were cross checked for any additional information or further information in relation to the Terms of Reference for this review.
- Based on our examination of the contents of the above files, our findings are outlined below. Further details of our testing/findings are presented in **Appendices B and C** of this Report.

Factual Findings / Exceptions Identified	
1.	It was found that at both Aquatic Centre locations and at YMCA Parramatta Head Office, there was incomplete and inconsistencies in the documentation held on employee files. It was found that there were no resumes on 45 employee files, 37 employee files contained no initial employment application form, 16 employee files had signed a Code of Conduct and on 14 employee files, there were 5 completed induction checklists retained.
2.	Minimal evidence was found on employee files that supported the screening of candidates, or that employment applications had been completed or any transparent recruitment processes had been undertaken.
3.	No other evidence on files held at YMCA Parramatta Head Office contradicted the findings of the review of the two Aquatic Centre sites visited.
4.	Paper based records were found to be incomplete and lacking the requirements and standards that meet better practices for recordkeeping systems.

Detailed factual findings

3.5 Monitoring and reporting

Procedures Performed (Refer to Agreed Upon Procedures Nos 3, 4 and 5)

Audit reviewed:

- The processes and procedures that the YMCA has in place to report findings of employee sexual misconduct and serious assault involving children to the NSW Ombudsman.
- The processes and procedures that are in place in the event that the OCG notifies the YMCA that a current employee had been barred from child-related employment.
- The maintenance of YMCA's online Incident Register and supporting hard copy documentation.
- YMCA's related procedures, including the Flowchart of Reportable Conduct, Guidelines for Child Sexual Incident Response, Child Protection Policy and Procedures, Planning and Conducting and Investigation procedures from the Ombudsman's Office.
- The YMCA's procedures relating to the reporting of any incidents were discussed with the HR Manager at YMCA's Head Office at Parramatta.

Factual Findings / Exceptions Identified	
1.	The YMCA maintains an online Incident Register and reporting system that is a database of all incidents reported at all YMCA NSW locations. The information recorded in this system is supported by hard copy records held at both of the individual YMCA locations subject to review.
2.	Internal Audit was advised by the YMCA Centre Managers and the HR Manager that there had been no incidents involving YMCA employees that related to child protection at the two Aquatic Centre locations. The examination of the hard copy Incident Registers retained at both centres confirmed that there had been no reported employee child related incidents. The HR Manager and Centre Managers also advised that they were aware of the YMCA procedures that relate to a situation where a notification is received from the OCG that a specific employee is barred. Such notifications would result in the immediate removal of the employee from YMCA premises and YMCA employment. These Draft procedures were sighted, however these procedures had not yet been implemented at the time of this review.
4.	The YMCA has several processes in place used for reporting incidents. A Minor Incident form is used to report accidents that have occurred at YMCA premises. A Major Incident form is used to report other incidents and is used together, with the City's Major Incident Notification form.
5.	We noted that the standard of incident reporting by the YMCA under the current contract has been documented by the City as inconsistent in meeting contract reporting requirements and an area requiring significant improvement. The process for incidents involving the public and accusations of sexual assault is the same as the reporting of other major incidents.
6.	We observed that the YMCA introduced in 2014, a YMCA 'whistleblower' program allowing YMCA staff to report any alleged misconduct of other YMCA staff. We reviewed and discussed this facility at YMCA Head Office, Parramatta with their HR Manager. The system is monitored by an independent person at Parramatta who has specialist training in child protection.

Detailed factual findings

3.6 Centralised systems and processes

Procedures Performed (Refer to Agreed Upon Procedures Nos 1, 2, 7, 8 and 9)

- Discussed centralised systems and processes with relevant staff at the Aquatic Centres and with the HR Manager, Head Office, Parramatta, in relation to recruitment, training, screening and WWCC under YMCA new MACY system.

Factual Findings / Exceptions Identified	
1.	Discussions were held with the HR Manager, Parramatta who confirmed that the YMCA has moved to the MACY system since the findings of the Royal Commission. MACY became operational in February 2014. This system has the functionality to support the central management of the YMCA recruitment processes and other HR activities. The HR Manager provided a walkthrough on some of the functions of MACY and advised us that in using MACY in the recruitment process, key information is entered into the system, such as qualifications and references. The system creates hold points around different steps and stages of the recruitment process, which controls and prevents the commencement of employment without the entire recruitment process being completed. This process requires the verification and clearance of WWCC for all new employees.
2.	Under MACY, policy and procedure competencies for all YMCA employees can be managed and monitored online and tracked through online training modules. Centre Managers have a responsibility under MACY that is attached to staff performance measurement, to monitor all staff under their supervision and ensure that all staff complete the required training modules within a specified timeframe. MACY produces reports on staff and training levels and courses undertaken, together with the results of course assessments at completion. This system allows for the monitoring of those staff that have outstanding courses due for completion.
3.	The HR Manager advised us that YMCA has a 'tiered training approach', where senior staff receive specialist training from external providers on key areas of operations. This information is then meant to be disseminated down from the Centre Managers to Operations Co-ordinators who deliver the training to all front line staff. In our review of the two locations, it was found that this was not the case. We found that there was a lack of complete dissemination of training issues and information from management down to front line staff.
4.	The HR Manager advised us that YMCA HR staff have received training in the identification and 'red flagging' of applications for employment that may be considered suspicious or undesirable.
5.	YMCA Parramatta has recently recruited a staff member for the position of YMCA NSW Manager of Child Protection. This person was previously employed at the NSW Office of Children Guardian and was directly working with the WWCC system.

Appendix A

Appendix A – YMCA and City of Sydney staff interviewed

Name	Position
Collette Holland	Aquatic and Leisure Services Manager, CoS
Matthew McDonald	Contract Manager Aquatic and Leisure Services, CoS

Name	Position
Jacqui Bolger	Centre Manager YMCA Cook + Phillip Park Aquatic and Fitness Centre
Brierly Gelling	Operations Co-ordinator, YMCA Cook + Phillip Park Aquatic and Fitness Centre
Dean McElroy	Acting Centre Manager, YMCA Ian Thorpe Aquatic Centre
Onur Dede	Operations Co-ordinator, YMCA Ian Thorpe Aquatic Centre
Kylie Pearson	Manager Human Resources, YMCA NSW Parramatta
Natasha Watson	Learning and Development Officer, YMCA NSW Parramatta

Appendix B

Appendix B – Cook + Phillip Park Aquatic and Fitness Centre – Summary of Factual Findings

Review of a sample of employee files randomly selected by Internal Audit.

Procedures Performed	Factual Findings / Exceptions Identified
Identified employees working in high risk child related positions	<ul style="list-style-type: none"> 25 employees of which 12 employees were working in high-risk positions (High risk positions are defined as positions with duties that involve a high level of direct exposure and contact with children).
Identified employees who had no WWCC as of February 2012.	<ul style="list-style-type: none"> 10 employees appointed prior to 1 February, had no WWCC of whom 7 employees were in high risk positions.
Identified employees who commenced work after 1 February 2012, who did not have a WWCC when commenced duties.	<ul style="list-style-type: none"> 4 employees, of whom 3 employees were in high risk positions.
Compared the date of employment commencement with the date WWCC clearance notification was received.	<ul style="list-style-type: none"> Gap between commencement of employment and WWCC clearance ranged from 2 months to 59 months.
Reviewed presence of CV's on employee files	<ul style="list-style-type: none"> Only found evidence that 4 employees had CV on employee file.
Reviewed for the supply of references on employment application forms or documented in CV's.	<ul style="list-style-type: none"> Only found evidence of 3 employees having supplied referee details on applications for employment.
Reviewed for evidence that referees had been contacted.	<ul style="list-style-type: none"> Only found evidence that 2 employee's reference checks had been conducted.
Reviewed and compared the employee's commencement date to the date recorded on induction checklists indicating induction training completed.	<ul style="list-style-type: none"> All 25 employees had Induction Checklists on file. Only 3 employees had signed and dated the Induction Checklist at the commencement date or within a week timeframe.
Reviewed the induction program for awareness and training in child protection issues	<ul style="list-style-type: none"> No evidence on employees files that child protection policies had been covered in Induction Program.

Appendix B

Procedures Performed	Factual Findings / Exceptions Identified
Reviewed documentation relating to in house training on child protection issues	<ul style="list-style-type: none"> No evidence on employee's files or in-house training documentation that child protection policies had been covered in training.
Reviewed the date when NSW police checks were conducted for employees.	<ul style="list-style-type: none"> The date for conducting police checks for all employees was between 11- 19 February 2014. There was no evidence found that prior police checks had been conducted on employees.
Examined documentation on employees files for the existence of any child protection training	<ul style="list-style-type: none"> 18 employees had evidence on file that the online ACF training had been completed.
Examined documentation on file to document the time frames between commencement of employment and training on code of conduct.	<ul style="list-style-type: none"> For 22 employees, the Code of Conduct and Induction checklist had been signed between 1 year to 5 years after employment commencement dates.

Appendix C

Appendix C – Ian Thorpe Aquatic Centre – Summary of Factual Findings

Review of a sample of employee files randomly selected by Internal Audit.

Procedures performed	Factual Findings / Exceptions Identified
Identified employees working in high risk child related positions	<ul style="list-style-type: none"> Reviewed the files of a sample of 25 employees, of which 11 employees are employed in high risk positions..
Identified employees who had no WWCC as of 1 February 2012.	<ul style="list-style-type: none"> 9 employees were appointed prior to 1 February, of which 7 employees were in high risk positions. There were 3 employees where the WWCC form / letter of notification was not dated, so we were unable to determine the level of compliance in these cases.
Identified employees who commenced work after 1 February 2012, who did not have a WWCC when commenced duties.	<ul style="list-style-type: none"> 2 employees, of whom all of these employees were in high risk positions.
Compared the date of employment commencement with the date WWCC clearance notification was received.	<ul style="list-style-type: none"> Gap between commencement of employment and WWCC clearance ranged from 2 months to 78 months.
Reviewed presence of CV's on employee files	<ul style="list-style-type: none"> Only evidence that 1 employee had CV on employee file.
Reviewed for the supply of references on employment application forms or documented in CV's.	<ul style="list-style-type: none"> Only found evidence that 3 employees had supplied referees details on applications for employment
Reviewed for evidence that referees had been contacted.	<ul style="list-style-type: none"> Found evidence that no employee's reference checks had been conducted.
Reviewed and compared the employee's commencement date to the date recorded on induction checklists indicating induction training completed.	<ul style="list-style-type: none"> 2 employees had signed and dated the Induction checklist, on either their employment commencement date or within a week timeframe. 14 employees had Induction checklists on file, with 2 of these employees' checklists being signed, but not dated.
Reviewed the induction program for awareness and training in child protection issues	<ul style="list-style-type: none"> No evidence on employees files that child protection policies had been covered in Induction Program.

Appendix C

Procedures performed	Factual Findings / Exceptions Identified
Reviewed documentation relating to in house training on child protection issues	<ul style="list-style-type: none"> No evidence on employee's files or in-house training documentation that child protection policies had been covered in regular training.
Reviewed the date when NSW police checks were conducted for employees.	<ul style="list-style-type: none"> Dates of police checks for all employees were conducted between 11- 21 February 2014. There was no evidence found that prior police checks had been conducted on employees.
Examined documentation on employees files for the existence of any child protection training	<ul style="list-style-type: none"> No employees had evidence on file that the online ACF training had been completed.
Examined documentation on file to document the time frames between commencement of employment and training on code of conduct.	<ul style="list-style-type: none"> 11 employee's files had no Induction Checklists on file. Only two employees had signed the Induction Checklist on or close to their employment commencement date. On 14 employee's files, there was no signed Code of Conduct retained on file.
Other issues noted in review of files.	<ul style="list-style-type: none"> Letters of offer were found to be unsigned on some files, and the contract of employment was signed in some cases over 12 months after employment commencement.

Appendix D

Appendix D – Risks identified in terms of reference

Business Process	Risks Identified	
Policies and procedures (Agreed Upon Procedures 1 and 2)	1	Absence of approved policies and procedures in respect of WWCC.
	2	WWCC policies and procedures are not reviewed on a periodic basis.
	3	Policies and procedures do not reflect the current relevant legislative requirements associated with the WWCC.
	4	Current employees are not educated and trained on Working with Children policies and procedures.
Processes (Agreed Upon Procedures 1, 2, 3 and 4)	5	The service provider is not registered with the on-line WWCC system.
	6	The service provider does not register with Office of Children Guardian (OCG) all new WWCC's.
	7	The service provider has not conducted WWCC for all current (new and existing) employees (either before the commencement of employment or as soon as practical after the commencement of employment) The new system allows up to four weeks, this will be considered during testing..
	8	The service provider does not go online to the WWCC Register to verify the status of a working with children check number and status such as whether the employee has been cleared or barred, for all employees.
	9	For some employees, the service provider has not conducted a WWCC for more than five (5) years at the time of the introduction of the new WWCC, i.e. 15 June 2013.
	10	Individuals commence work when they should not have due to a significant delay between when the employee commenced work and when a WCC was conducted / clearance verified.
	11	In the appointment of new employees, reference checks are not appropriately made prior to the commencement of duties.
	12	All new employees are not provided with an Induction package on commencement of duties that includes WWCC requirements.
	13	YMCA employees do not undertake regular training sessions in the requirements under Children Protection Legislation.

Appendix D

Business Process	Risks Identified	
Records Management (Agreed Upon Procedures 7, 8, 9 and 10)	14	The service provider does not retain copies of the WWCC (verification numbers), staff qualifications and incident training on employee files/ Staff Register.
	15	The service provider does not keep and maintain an up-to-date register of all current staff, staff qualifications, on-site including incident training.
	16	The service provider does not maintain an Incident Register.
Monitoring (Agreed Upon Procedures 3 and 4)	17	The service provider has not verified employment of all employees online with the OCG.
	18	The service provider fails to remove an employee from all child related work as a consequence of receiving notification from the OCG that the employee is barred from working with children.
	19	The service provider fails to report any incidents of sexual misconduct and serious assault involving children to the relevant reporting body such as the Council and the OCG.

END OF REPORT